

**CITY OF AUBURN  
REQUEST FOR PROPOSALS  
FOR**

**COMPREHENSIVE FEE STUDY & DEVELOPMENT IMPACT  
FEE STUDY SERVICES**

**City of Auburn**



**Proposal Issue Date: April 25, 2023**

**Proposal Due Date: June 6, 2023, 5:00 pm (PST)**

**COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**

**CITY OF AUBURN ROOM 3**

**1225 LINCOLN WAY**

**AUBURN, CA. 95603**

## **I. Introduction**

The City of Auburn is soliciting proposals from qualified consultants to assist in updating the City's Community & Economic Development Department fees and AB 1600, Impact Fees. Specifically, the Community & Economic Development Department needs to update its master fee schedules for Building, Planning and Engineering; as well as requiring a citywide assessment of impact fees.

The Community & Economic Development Department wishes to negotiate a fixed price contract with a "not to exceed" dollar total based on a clearly defined scope of work.

This Request for Proposals (RFP) is an invitation by the City of Auburn for consultants to submit a proposal. Submittal of a proposal should not create any expectations for a contract with the City of Auburn.

Qualified Consultants may submit their electronic proposals on or before **June 6, 2023, by 5:00 pm (PST)**.

Inquiries may be directed on or before June 6, 2023, 5:00 pm (PST) to:

City of Auburn, Room 3  
Attn: Jonathan Wright, CEDD Director  
1225 Lincoln Way  
Auburn, CA. 95603  
Phone: (530) 823-4211 Ext. 144  
Email: [jwright@auburn.ca.gov](mailto:jwright@auburn.ca.gov)

## **II. General Background**

The City of Auburn, California, is the County seat of Placer County. Geographically located Northeast of Sacramento and Southwest of Lake Tahoe along the I-80 corridor, the City is nestled in the foothills of the Sierra Nevada Mountain Range at a comfortable 1,300 feet elevation. The total area of the City is approximately 7.5 square miles with a population of 13,845. From its location below the snow line of the Sierra Nevada Mountains yet above the fog and gloom of the Sacramento Valley, to its health focused and environmentally conscientious community, it is no wonder that Auburn is a highly sought-after location to live, work and play.

The City of Auburn is a general law City that operates under a City Council/City Manager form of municipal government. Five Councilmembers are elected at-large on a nonpartisan basis to staggered, four-year terms, and the City Council themselves select a Mayor each year. The City Manager and City Attorney are appointed by the City Council. The City is divided into

departments that provide a full range of municipal services, including Police, Fire, Public Works and Community and Economic Development (including Airport). Information regarding the City and its organization, such as governmental structure and services provided are available on the City website at [www.auburn.ca.gov](http://www.auburn.ca.gov)

In 2022, the City Council of the City of Auburn created its goals for the next three (3) years. Fiscal Sustainability through revenues was City Goal number 2. Additionally, the Community & Economic Development Department has had significant structural changes by adding new staff and contractors to the Department and has been tasked to increase wages based of a recent wage study to ensure that the Community & Economic Development Department is competitive with other nearby public agencies. These changes and increased overhead costs necessitate the implementation of a study to assess whether Departmental revenues are keeping up with climbing expenses.

Development impact fees have yet to be evaluated for the City and the only three impact fees currently exist and are for facilities, fire and parks. While the cost of goods and services that the City provides has climbed exponentially over the last decade, these fees have remained the same. Furthermore, the Community & Economic Development Department is interested assessing what other impact fees the City could/should implement.

In keeping the City Council's goal of financial sustainability in mind, Community and Economic Development Department is going to conduct a study to ensure the Department utilizes overhead rates that accurately account for the true cost of providing various services, and then assess appropriate fees and rates that will allow the Department to recover the actual cost incurred for providing building, planning and engineer services to the community.

The last Comprehensive Fee Schedule for this Department was updated in 2015 and the last Impact Fee Nexus Study occurred in 2012.

### **III. Objectives**

Auburn Community & Economic Development staff are directly responsible for the operation, maintenance, and needs of the Department. The Department services, include but are not limited to, plan reviews, building inspection, permitting, code compliance, front counter operations, business license review, zoning clearance, administrative land use, quasi-judicial and legislative amendments and processes, civil plan review, subdivision administration, airport management (not included in this RFP) as well as general and technical support to other City departments.

The City operates facilities for the benefit of the public in which the impact of new development causes an increase in demand for these facilities and thus increased cost of service, maintenance and repair.

The objective of the RFP is to receive proposals for a Comprehensive User Rate and Fee Study and Development Impact Fee Study that includes reviewing and updating all fees and charges for services and recommending additional fees, with the goal of cost recovery.

#### **Comprehensive User Fee Study**

The Community & Economic Development Department is seeking to evaluate all cost of services provided and examine whether a reasonable relationship exists between the cost of providing their services and current service fees, while ensuring compliance with applicable statutory requirements. The Community & Economic Development Department desires to undertake a comprehensive review and evaluation of user fee and rate charges resulting in a cost-based user fee study. The Comprehensive Fee Study will calculate the full 100% cost of providing building, planning and engineering services and provide a recommended fee to be charged for each applicable service. The firm shall recommend cost recovery strategies and identify best practices in establishing user fees. These strategies should take into consideration the complexities and demands of each program. The selected firm will provide thorough analysis, development of fee models and recommendations including, identifying and recommending new fees and revenue sources. It is the goal of this department to have a well-documented and legally defensible cost of service plan that will identify rates that will be used to recover billable costs for services and develop user fees that comply with applicable statutory requirements. A survey comparison of rates and fees with similar cities is required.

#### **Development Impact Fee Study**

The City has two development impact fees, with the last available record being a 2012 Park Development Impact Fee Nexus Study. The City's impact fee program must comply with the Mitigation Fee Act (California Government Code Section 66000 et seq., also known as Assembly Bill 1600). The study shall provide sufficient information and the necessary findings to help the City determine the development impact fees based on the proposed infrastructure requirements to support the City's growth and the City's Capital Improvement Plan. The consultant is expected to work with Community and Economic Development Department staff to determine other supporting infrastructure (i.e., equipment, vehicles, etc.) or other operational services that could rightfully be included in the fee program to ensure the costs of such supporting infrastructure are paid by development. The Department would also like feedback from the consultant on recommended best practices to help ensure better collections and any adjustments to municipal code if necessary

#### **IV. Scope of Work**

There is a separate scope of work for each of the two studies. Project tasks shall include, but are not necessarily limited to, the following described below. If the firm feels that additional tasks

are warranted, they must be clearly identified in the firm's proposal. Firms responding to this RFP shall be prepared to deliver services and perform the work necessary to provide the services within six months after initiation of the project. The Community and Economic Development Department would like to have the study complete by no later than February, 2024 for presentation to the City Council in March 2024 and incorporation into the FY 2024/25 Operating Budget. The project consists of furnishing all labor, materials, supervision, and travel necessary to complete the tasks outlined below:

**Comprehensive User Fee Study** Prepare a Comprehensive User Fee Study for the Community and Economic Development Department, which may include the following elements (if the consultant feels that additional tasks are warranted, they must be clearly identified in the consultant's proposal):

1. Work and meet with Department staff to refine the project scope, purpose, uses and goals of the Department's Comprehensive User Fee Study to ensure that the study will be both accurate and appropriate to the Department's needs. Review project schedules and answer any questions pertaining to the successful development of the study.
2. Meet with staff and conduct interviews as needed to gain an understanding of the Department's processes and operations. Conduct a comprehensive review of the Department's existing fees, rates and charges.
3. Identify the total cost of providing each Department service at the appropriate activity level and in a manner consistent with all applicable laws, statutes, rules and regulations governing collecting of fees, rates, charges by public entities.
4. Compare service costs with existing recovery levels. This should include any service areas where the Department is currently charging for services as well as areas where perhaps the Department should charge, considering the Department's practices, or the practices of similar or neighboring cities.
5. Recommend potential new fees and charges for services the Department currently provides but does not have any fees and/or charges established. Recommendations should be based on practices by surrounding cities that may charge for similar services, industry best practices, or the consultant's professional opinion. The Department is particularly interested in incentive programs offered in other agencies to promote economic development and the goals of the City.

6. Recommend appropriate fees and charges based on the firm's analysis together with the appropriate subsidy percentage of those fees where full cost recovery may be unrealistic.
7. Prepare a report that identifies each fee service, its full cost, recommended and current cost recovery levels. The report should also identify the direct cost, the indirect cost, and the overhead cost for each service.
8. Prepare a report that identifies the present fees, recommended fees, percentage change, cost recovery percentage, revenue impact and fee comparison with other Placer County cities or other California cities that are comparable to the City of Auburn, including, but not limited to, those with limited growth potential based on geographic or other related restrictions. A survey comparison of rates and fees with similar cities is required.
9. Report on other matters that come to the Consultant's attention in the course of the evaluation that, in the Consultant's professional opinion, the Department should consider. Provide a computer-based model in Microsoft Excel for adjusting these fees and charges for the Department's current and future needs and provide the Department with an electronic copy of the final comprehensive study, including related schedules and cost documentation in a format that can be edited and updated by the Department Director to accommodate changes in the organization or changes in costs. The requirements of the models should allow for:
  - a. Additions, revisions, or removal of the direct and overhead costs so the comprehensive fee study can be easily adapted to a range of activities, both simple and complex.
  - b. The ability of the Department Director to continuously update the model and fees from year to year as the organization changes.
  - c. The addition of hypothetical service area information for future service enhancements, and the ability to calculate the estimated costs of providing the service under consideration (i.e. ad-hoc analysis).
10. Prepare and deliver presentation to the City Council to facilitate their understanding of the plan and its implication for the Community & Economic Development Department and make necessary adjustments as requested.
11. Provide on-site training to enable staff to update fees on an annual basis.

12. Prepare a final report in a PDF file of the Comprehensive Fee Study that can be made available to Department staff, the City Council and Community members. Models, tables, and graphs should be provided in Excel. Any Comprehensive Fee Study revisions developed shall also be made available to the Department in Excel and PDF formats, providing the ability to add, delete and/or update information as needed.
13. Should it become necessary to defend the Department's Comprehensive User Fee as a result of any legal or other challenges the Consultant will defend the City.

### **Development Impact Fee Study**

1. Kick-off meeting between consultant and City staff to review objectives of study, agree to methodology, exchange information, timing and schedule for all tasks, and to determine information to be provided by Department staff, to support a comprehensive Impact Fee study of each existing fee.
2. Consultant shall also propose new Citywide impact fees that the Department that is not currently being collected for consideration. After consideration of such new Impact Fees, the Department may elect to request the consultant prepare the necessary nexus study or studies. Such study or studies shall be deemed "Extra Work" entitled to additional compensation.
3. Impact Fees shall be calculated to provide for facilities, equipment, infrastructure, and services needed to support growth based on forecasts of new development over a 20- year period. The Impact Fees analysis shall consider existing fees, if any, and provide for incentive programs offered in other agencies to promote economic development and help achieve the goals of the City.
4. The consultant shall prepare either an individual report for each Impact fee for a single compiled report for all Impact Fees that documents the fee study results, including a description of the overall assumptions, approach, and methodology, findings, supporting justification, recommended fee amount and the calculations that provide the legal nexus between the recommended Impact Fee and new development.
5. Review findings with Community & Economic Development staff. Consultant to provide information supporting findings to date and proposed fees.

6. City Council meeting to present draft study. Discuss methodology, findings, formal presentation, answer questions about finding, and collect input for preparation of final report.
7. Final City Council meeting to follow up on first meeting and present final report.
8. Please consider the optional meeting in your proposal as separate line item cost – Public meeting to present draft study report. Meeting to share findings with stakeholders, including developers and engineers. Consultant to facilitate meeting, provide exhibits and formal presentation, collect input and prepare meeting minutes capturing public input.
9. Prepare a final report submitted to the City containing background information, methodology, findings, and recommendations. More specifically, consultant shall prepare a report containing, but not limited to, the following:
  - a. Background Information.
  - b. Description of the overall methodology.
  - c. Supporting justification.
  - d. Calculations that demonstrate the legal nexus between recommended fees and the impact created by new development.
  - e. Relationship between the fee's use and the type of project on which it would be imposed.
  - f. Any additional matters that Department staff should be made aware of, findings, and recommendations.
10. If the consultant feels that additional task are warranted, they must be clearly identified in the consultant's proposal under this option.
11. The Community & Economic Development Department reserves the right to modify the scope of services before the contract is awarded.

## **V. Specification for Proposals**

Consultants submitting proposals shall have a minimum of five (5) years experience conducting Comprehensive User Fee studies for similarly sized or larger governmental entities. All proposals submitted in response to this Request for Proposals must contain the following information:

1. Letter of Interest: Please include a letter expressing the Consultant's interest in being considered for the project. Include a statement regarding the consultant's availability to



dedicate time, personnel, and resources to this effort. The letter of interest must include a commitment to the availability of the Consultants and all key project staff during the planning period and a proposed schedule designed to meet the Community and Economic Development Department's needs for the project.

2. **Project Understanding and Approach:** Please include a statement demonstrating your understanding of the proposed project. Describe your approach to completing the project successfully; methodologies and technologies you would employ; key milestones and processes you would employ. Describe what information you would expect the Department to supply.
3. **Relevant Experience:** Please include information describing the Consultant's experience with Comprehensive Fee Studies, including cost allocation plans for public agencies. Please provide a minimum of five (5) specific examples of Consultant's relevant experience on Comprehensive Fee Studies for similar sized cities. At a minimum, the Consultant should provide a list of the most recent projects for which the Consultant has performed similar services of similar size, scope, and complexity. Include the name, contact person, address, phone number and/or e-mail of each party for whom the service was provided, as well as a description of the service performed, the dollar amount of the contract, and the date of performance.

**Project Manager/Key Staff:** Please include information about the specific relevant experience and billing rates for the proposed Project Manager and all other applicable staff. A Project Manager must be designated and must be the principal contact for the Department. Information on the experience of the Project Manager (on similar projects) and at least two references for the Project Manager.

4. **Proposed Scope of Services:** Please provide a Proposed Scope of Services, which is based on the Scope of Work contained in this RFP; and discuss any ideas for modifying, clarifying, or improving the Community & Economic Development Department's proposed scope of work. Provide a realistic working schedule with key deliverables, milestones and tasks.
5. **Conflict of Interest Statement:** The proposers shall disclose any financial, business, or other relationship with the City that may have an impact upon the outcome of this contract. Particular attention should be paid to compliance with Government Code section 1090.

6. Comments on or Requested Changes to Contract: The City's standard professional services contract is included as Attachment 2 to this Request for Proposals. The proposer shall identify any objections to and/or request changes to the standard contract language in this section.
7. Cost Proposal: The cost proposal shall provide the following:
  - a. Total All-Inclusive Not To Exceed Maximum Price: The cost proposal should contain all pricing information relative to performing the scope of work as described in this request for proposals. The total all-inclusive maximum not to exceed price is to contain all direct and indirect costs including all out of pocket expenses. Provide a budget for each major milestone for the entire scope of services. The proposed budget should be inclusive of all meetings, conference calls, site visits and deliverables. The budget should include a list of anticipated reimbursable expenses with rates charged for each.
  - b. Component Costs: Include separate schedules of all fees and expenses for each of the work tasks and deliverables described in this RFP. These schedules should include hourly rates and number of hours anticipated for each staff level; as well as out-of-pocket expenses such as transportation, meals, communications, and duplication costs. The total of these separate schedules should have a direct relationship to the total all-inclusive maximum price.
  - c. Rates for Additional Professional Services: If it should become necessary for the City to request the successful firm to render any additional services to either supplement services requested in this RFP or to perform any additional work as a result of the specific recommendations included in any report issued resulting from this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the Department and the firm. Any such additional work would be performed at the same rates submitted in the dollar cost bid unless otherwise noted in the proposal.
  - d. Manner of Payment: Progress payment will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the consultant's proposal. Interim billings shall cover a period of not less than a calendar month.

## **VI. Timetable for Submission**

For consideration to be given to any proposal submitted for this RFP, Consultant must submit proposal via email only to: [jwright@auburn.ca.gov](mailto:jwright@auburn.ca.gov) with “**Community & Economic Development Department Compressive Fee Study-RFP**” in the subject line of email, on or before **June 6, 2023 by 5:00 pm (PST)**.

Late responses will not be accepted, and faxed responses will not be considered.

## **VII. Proposed Timeline**

1.	Issue RFP	April 25, 2023
2.	RFP Inquiries Due	May 24, 2023
3.	Inquiry Responses Provide	May 31, 2023
4.	Review of Proposals	June 8, 2023
5.	Check references	June 12, 2023
6.	Notify Selected Finalist	June 16, 2023
7.	Award and Sign Contract	July 11, 2023
8.	Consultant Submits Findings and Recommendations	December 15, 2023

## **VIII. Evaluation Procedures**

An evaluation committee, comprised of Community & Economic Development Department staff, will evaluate each respondent’s relevant experience and expertise. Proposals will be evaluated based on the information presented in the RFP.

A two-step analysis will be employed. First, staff will review all submittals to ensure that the minimum requirements of the RFP are meet.

Secondly, an evaluation committee will review proposals for the following:

- Qualifications as they relate to this project (35%) in the order shown below:
  - Thoroughness and understanding of the tasks to be completed.
  - Background and experience in organizational analysis evaluation.
  - Staff expertise and overall experience of personnel assigned to the work.
  - Qualifications of proposed key personnel.
  - Communication Skills.
- Reputation for integrity and competence (30%)
  - Positive Reference Checks

- Proposed Fees and Charges for Service (25%)
- Ability to provide the required services in a timely manner within the City's standard professional service agreement. (10%)

The Department shall have absolute discretion in determining the applicability and weight or relative weight of some or all the criteria listed above.

**X. Right to Reject Proposals:**

The City of Auburn reserves the right to reject any or all proposals. Any award made for this engagement will be made to the responder who, in the opinion of the Community & Economic Development Department, is best qualified to conduct the Classification and Compensation Study. The selection of the proposal will be made at the sole discretion of the Department.

**XI. City Contact**

For questions regarding the RFP, the Community & Economic Development Fee Study or specifications, please contact Jonathan Wright, Community & Economic Development Director at: [jwright@auburn.ca.gov](mailto:jwright@auburn.ca.gov) or (530) 823-4211 extension 144. Questions will be accepted until May 24, 2023, 5:00 pm (PST).

**XII. Reservation of Rights: The City of Auburn reserves the right to:**

- Accept or reject any proposals received in response to this RFP, and to re-advertise for new submittals.
- Waive or modify any irregularities in proposals received after prior notification to the Consultants.
- Request the submission of proposal modifications at any time before the award is made, if such is in the best interest of the Department.
- Consider proposals or changes received at any time before the distinction is made, if such is in the best interest of the Department.
- Request clarification and additional information from the Consultant during the evaluation process.
- Negotiate with the selected Consultant to include further services not identified in this RFP.
- The City of Auburn shall not be responsible for any costs incurred by the Consultant in preparing, submitting, or presenting its response to this RFP.

### **XIII. Information Enclosed**

The following information is provided to assist consultants with preparing their response to this RFP:

- Professional Service Agreement (final version to be approved by the City Attorney)
- Copies of all existing Community & Economic Development Fee Schedules